

### Part Three: Supplement on Proudhon and the Housing Question

In No. 86 of the *Volksstaat*, A. Mulberger reveals himself as the author of the articles criticized by me in No. 51 and subsequent numbers of the paper. In his answer he overwhelms me with such a series of reproaches, and at the same time distorts to such an extent all the points of view which are at issue, that, willy-nilly, I am compelled to reply to him. I shall attempt to give my reply, which to my regret must be made to a large extent on the field of personal polemics enjoined upon me by Mulberger himself, a general interest by presenting once again the chief points and if possible more clearly than before, even at the risk of being told once again by Mulberger that all this contains "nothing essentially new either for him or for the other readers of the *Volksstaat*."

Mulberger complains of the form and the content of my criticism. As far as the form is concerned, it will be sufficient to reply that at the time I did not even know who had written the articles in question. There can therefore be no question of any personal "prejudice" against their author; against the solution of the housing question put forward in the articles I was certainly in so far "prejudiced" that I was long ago acquainted with it from Proudhon and my opinion on it was firmly fixed.

I am not going to quarrel with friend Mulberger about the "tone" of my criticism. When one has been so long in the movement as I have, one develops a fairly thick skin against attacks, and therefore one easily presumes also the existence of the same in others. In order to compensate Mulberger I shall try this time to bring my "tone" into the right relation to the sensitiveness of his epidermis.

Mulberger complains with particular bitterness that I called him a Proudhonist, and he protests that he is not one. Naturally, I must believe him, but I shall adduce the proof that the articles in question -- and I had to do with them alone -- contain nothing but undiluted Proudhonism.

But according to Mulberger I have also criticized Proudhon "frivolously" and have done him a serious injustice. "The doctrine of the petty-bourgeois Proudhon has become an accepted dogma in Germany, which is even proclaimed by many who have never read a line of him." When I express regret that for twenty years the workers of the Latin countries have had no other mental nourishment than the works of Proudhon, Mulberger answers that as far as the workers of the Latin countries are concerned, "the principles formulated by Proudhon are almost everywhere the driving spirit of the movement." This I am compelled to deny. First of all, the "driving spirit" of the working class movement nowhere lies in "principles," but everywhere in the development of large-scale industry and its effects, the accumulation and concentration of capital on the one hand and of the

proletariat on the other. Secondly, it is not correct that in the Latin countries Proudhon's so-called "principles" play the decisive role ascribed to them by Mulberger; that "the principles of anarchism, of the organization of the forces économiques, of the liquidation sociale, etc., have become the true bearers of the revolutionary movement." Not to speak of Spain and Italy, where the Proudhonist universal panacea has only gained some influence in the still more botched form presented by Bakunin, it is a notorious fact for anyone who knows the international working class movement that in France the Proudhonists are nothing more than an insignificant sect, while the masses of the French workers refuse to have anything to do with the social reform plan drawn up by Proudhon under the title Liquidation sociale and Organization des forces économiques. This was shown, among other things, in the Commune. Although the Proudhonists were strongly represented in the Commune, not the slightest attempt was made to liquidate the old society or to organize the economic forces according to Proudhon's proposals. On the contrary, it is to the great honor of the Commune that in all its economic measures the "driving spirit" was not any set of "principles," but simple, practical needs. And therefore the measures taken by the Commune -- abolition of night work in the bakeries, prohibition of monetary fines in the factories, confiscation of idle factories and workshops and their handing over to workers' associations -- were not at all in accordance with the spirit of Proudhonism, but certainly in accordance with the spirit of German scientific socialism. The only social measure which the Proudhonists put through was the decision not to seize the Bank of France, and this was partly responsible for the downfall of the Commune. In the same way, when the so-called Blanquists made an attempt to transform themselves from mere political revolutionaries into a socialist workers' fraction with a definite programme -- as was done by the Blanquist fugitives in London in their manifesto, Internationale et Revolution -- they did not proclaim the "principles" of the Proudhonist plan of social salvation, but rather adopted, and almost literally at that, the views of German scientific socialism on the necessity of the political action of the proletariat and of the dictatorship of the proletariat as the transitional stage to the abolition of classes and with them of the state, views such as had already been expressed in The Communist Manifesto and since then on innumerable occasions. And if Mulberger even concludes, from the disapproval of Proudhon by the Germans, a lack of understanding of the movement in the Latin countries "down to the Paris Commune," -then let him as a proof of this lack tell us what work from the Latin side has even approximately so correctly understood and described the Commune as the Address of the General Council of the International on the Civil War in France, written by the German, Marx.

The only country where the working class movement is directly under the influence of Proudhonist "principles" is Belgium, and precisely as a result of this the Belgian movement comes, as Hegel would say, "from nothing, through nothing, to nothing."

When I consider it a misfortune that for twenty years the workers of the Latin countries were fed directly or indirectly on Proudhon, I do not mean that thoroughly mythical dominance of Proudhon's reform recipe -- termed by Mulberger the "principles" -- but the fact that their economic criticism of existing society was infected by the absolutely false Proudhonist phrases and that their political actions were bungled by Proudhonist influence. Whether thus the "Proudhonized workers of the Latin countries" "stand more in the revolution" than the German workers, who, in any case, understand the meaning of German scientific socialism infinitely better than the workers of the Latin countries understand their Proudhon, we shall be able to answer when we have discovered what to "stand in the revolution" really means. We have heard talk of people who "stand in the Grace of God, in the true faith, in Christianity," etc. But "standing" in the revolution, in the most violent of all movements? Is then "the revolution" a dogmatic religion in which one must have faith?

Mulberger further accuses me of having asserted, in defiance of the express wording of his articles, that he had declared the housing question to be an exclusively working class question.

This time Mulberger is really right. I overlooked the passage in question. It was irresponsible of me to overlook it, for it is one of the most characteristic of the whole tendency of his articles. Mulberger writes actually in plain words:

"As we have been so frequently and largely exposed to the absurd accusation of pursuing a class policy, of striving for class domination, and such like, we wish to stress first of all and expressly that the housing question is by no means a question which affects the proletariat exclusively, but that, on the contrary, it interests to a quite outstanding extent the actual middle classes, the small tradesmen, the petty bourgeoisie, the whole bureaucracy.... The housing question is precisely that point of social reform which more than any other appears calculated to reveal the absolute inner identity of the interests of the proletariat on the one hand, and the interests of the actual middle classes of society on the other. The middle classes suffer just as much as, and perhaps even more than, the proletariat under the oppressive fetters of the rented dwelling. Today the actual middle classes of society are faced with the question of whether... they can summon up sufficient strength... to participate in the process of the transformation of society in alliance with the youthful, vigorous and energetic workers party, a transformation whose blessings will be enjoyed above all by the middle classes."

Friend Mulberger, therefore, lays down the following points here:

1. "We" are not pursuing any "class policy" and are not striving for "class domination." But the German Social-Democratic Party, just because it is a working-class party, does inevitably pursue a "class policy," the policy of the working class.

Since each political party sets out to win dominance in the state, so the German Social-Democratic Party is necessarily striving for its domination, that of the working class, hence a "class domination." Moreover, every real proletarian party, from the English Chartists onward, has put forward a class policy, the organization of the proletariat as an independent political party, as the primary condition of its struggle, and the dictatorship of the proletariat as the immediate aim of the struggle. By declaring this to be absurd," Mulberger puts himself outside the proletarian movement and into the camp of petty-bourgeois socialism.

2. The housing question has the advantage that it is not an exclusively working class question, but a question which "interests to a quite outstanding extent" the petty bourgeoisie, in that, "the actual middle classes" suffer from it "just as much as, and perhaps even more than, the proletariat." If anyone declares that the petty bourgeoisie suffers, even if in one connection only, "perhaps even more than the proletariat," then he can hardly complain when one counts him among the petty-bourgeois socialists. Has Mulberger therefore any grounds for complaint when I say:

"It is with just such sufferings as these, which the working class endures in common with other classes, and particularly the petty bourgeoisie, that petty-bourgeois socialism, to which Proudhon belongs, prefers to occupy itself. And thus it is not at all accidental that our German Proudhonist occupies himself chiefly with the housing question, which, as we have seen, is by no means exclusively a working class question."

3. There is an "absolute inner identity" between the interests of "the actual middle classes of society" and the interests of the proletariat, and it is not the proletariat, but these actual middle classes who will "enjoy above all" the "blessings" of the coming transformation of society.

The workers, therefore, are going to make the coming social revolution "above all" in the interests of the petty bourgeoisie. And further, there is an absolute inner identity of the interests of the petty bourgeoisie and those of the proletariat. If the interests of the petty bourgeoisie have an inner identity with those of the workers, then the interests of the workers have an inner identity with those of the petty bourgeoisie. The petty-bourgeois standpoint has thus as much right to exist in the movement as the proletarian standpoint has, and it is precisely the assertion of this equality of right that is called petty-bourgeois socialism.

It is, therefore also perfectly logical when, on page 25 of the reprint, Mulberger extols "small enterprise" as the "actual buttress of society," because "in accordance with its own nature, it unites the three factors: labor -- acquisition -- property, and because in the unification of these three factors it places no bounds to the capacity for development of the individual," and when he reproaches modern industry in particular with destroying this nursery for the production of normal human beings

and "making out of a vigorous class continually reproducing itself, a helpless mass of human beings who do not know whither to direct their anxious glances." The petty bourgeois is thus Mulberger's model human being and small-scale enterprise is Mulberger's model mode of production. Did I defame him therefore when I put him among the petty-bourgeois socialists?

As Mulberger rejects all responsibility for Proudhon, it would be superfluous to discuss here any further how Proudhon's reform plans aim at transforming all members of society into petty bourgeois and small peasants. It will be just as unnecessary to deal here with the alleged identity of the interests of the petty bourgeoisie and the workers. What is necessary is to be found already in *The Communist Manifesto*. (Leipzig Edition, 1872, pp. 12, 21.)

The result of our examination is therefore that side by side with the "myth of the petty bourgeois Proudhon" appears the reality of the petty bourgeois Mulberger.

## II

We now come to one of the main points. I accused Mulberger's articles of falsifying economic relationships after the manner of Proudhon by translating them into legal terminology. As an example of this, I picked out the following passage of Mulberger:

"The house, once it has been built, serves as a perpetual legal title to a definite fraction of social labor although the real value of the house has already long ago been more than paid out in the form of rent to the owner. Thus it comes about that a house that, for instance, was built fifty years ago, during this period covers the original cost two, three, five, ten or more times over in its rent yield."

Mulberger now complains as follows:

"This simple, sober statement of fact causes Engels to enlighten me to the effect that I should have explained how the house became a 'legal title' -- something which was quite outside the scope of my task.... A description is one thing, an explanation another. When I say with Proudhon that the economic life of society should be pervaded by a conception of justice, then I am describing present-day society as one in which, it is true, not all conceptions of justice are absent, but in which the conception of justice of the revolution is absent, a fact which even Engels will admit."

Let us keep for the moment to the house which has been built. The house, once it has been let, brings in for its builder ground rent, repairing costs, and interest on the building capital invested, as well as the profit made thereon in the form of rent, and, according to the circumstances, the rent installments can gradually amount to twice, thrice, five times, or ten times as much as the original cost price of the house.

This, friend Mulberger, is the simple, sober statement of fact," an economic fact, and if we want to know "how it happens" that it exists, then we must conduct our examination on the economic field. Let us, therefore, look a little closer at the fact so that not even a child may misunderstand it any longer. As is known, the sale of a commodity consists in the fact that its owner relinquishes its use value and puts its exchange value into his pocket. The use values of commodities differ from one another among other things in the varying periods of time required for their consumption. A loaf of bread is consumed in a day, a pair of trousers will be worn out in a year, and a house, if you like, in a hundred years. Hence, in the case of commodities with a long period of wear, the possibility arises of selling their use value piecemeal and each time for a definite period, that is to say, to let it out. The piecemeal sale therefore realizes the exchange value only gradually. As a compensation for his renouncing the immediate repayment of the capital advanced and the profit earned on it, the seller receives an increased price, interest, whose rate is determined by the laws of political economy and not by any means in an arbitrary fashion. At the end of the hundred years the house is used up, worn out and no longer habitable. If we then deduct from the total rent paid for the house the following: 1. The ground rent together with any increase that may have occurred to it during the period in question, and 2. the sums expended for current repairs, we shall find that the remainder is composed on an average as follows: 1. the building capital originally invested in the house; 2. the profit on this, and 3. the interest on the gradually maturing capital and on the profit. Now it is true that at the end of this period the tenant has no house, but neither has the house owner. The latter has only the site (provided that it belongs to him) and the building material on it, which, however, is no longer a house. And although in the meantime the house may have brought in a sum "which covers five or ten times the original cost price," we shall see that this is solely due to an increase of ground rent. This process is a secret to no one in such cities as London where the landowner and the house owner are usually two different persons. Such tremendous rent increases occur in rapidly growing towns, but not in a village, where the ground rent for building sites remains practically unchanged. It is indeed a notorious fact that, apart from increases in the ground rent, rents produce on an average no more than seven per cent per annum on the invested capital (including profit) for the house owner, and out of this sum, repair costs, etc., must be paid. In short, the rent agreement is quite an ordinary commodity transaction which is, theoretically speaking, of no greater and no lesser interest to the worker than any other commodity transaction, with the exception of that which concerns the buying and selling of labor power, and, practically, the worker comes face to face with the rent agreement as one of the thousand forms of bourgeois cheating which I dealt with on page 4 of the reprint, but even then, as I proved there, it is subject to economic regulation.

Mulberger, on the other hand, regards the rent agreement as nothing but pure "arbitrariness" (page 19 of the reprint) and when I prove the contrary to him he complains that I am telling him "all sorts of things which unfortunately" he "already knew."

But with all the economic investigations into house rent we are not able to turn the abolition of the rented dwelling into "one of the most fruitful and magnificent efforts which has ever sprung from the womb of the revolutionary idea." In order to accomplish this we must translate the simple fact from sober economics into the far more ideological sphere of legal talk. "The house serves as a perpetual legal title" to house rent, and "thus it come about" that the value of a house can be paid back in rent two, three, five or ten times. In order to discover how it really comes about, the "legal title" does not help us in the least and therefore I said that Mulberger would have been able to find out how it "thus comes about" by first of all inquiring how the house becomes a legal title. We discover this only after we have examined, as I did, the economic nature of house rent, instead of getting angry at the legal expression under which the ruling class sanctions it. Whoever proposes the taking of economic steps to abolish rent ought surely, first of all, to know more about house rent than that it is "the tribute which the tenant must pay to the perpetual title of capital." But to this Mulberger answers, "a description is one thing, an explanation another."

We have, therefore, converted the house, although it is by no means everlasting, into a perpetual legal title to house rent. We find no matter how "it thus comes about," that by virtue of this legal title, the house brings in its original value several times over in the form of rent. By the translation into legal phraseology we are happily so far removed from economics that we can see no more than the phenomenon that a house can gradually get paid for in gross rent several times over. As we are thinking and talking in legal terms, we apply to this phenomenon the measure of equality and justice, and we discover that it is unjust, that it is not in accordance with the "conception of justice of the revolution," whatever kind of a thing that may be, and that therefore the legal title is no good. We find further that the same holds good for interest-bearing capital and leased agricultural land, and we now have the excuse for separating these classes of property from the others and subjecting them to exceptional treatment. This consists in the demands: 1. to deprive the owner of the right to give notice, the right to demand the return of his property; 2. to give the lessee, borrower or tenant the use without payment of the object handed over to him, but not belonging to him; and 3. to pay off the owner in installments over a long period without interest. And with this we have exhausted the Proudhonist "principles" from this angle. This is Proudhon's "social liquidation."

Incidentally, it is obvious that this whole reform plan is to benefit almost exclusively the petty bourgeois and the small peasants in that it consolidates them in their

position as petty bourgeois and small peasants. Here we can observe that "the petty bourgeois, Proudhon," who is a mythical figure according to Mulberger, suddenly takes on a very tangible historical existence.

Mulberger continues:

"When I say with Proudhon that the economic life of society should be pervaded by a conception of justice, then I am describing present-day society as one in which, it is true, not all conceptions of justice are absent, but in which the conception of justice of the revolution is absent, a fact which even Engels will admit."

Unfortunately I am not in a position to do Mulberger this favor. Mulberger demands that society should be pervaded with a conception of justice, and calls that a description. If a court sends a bailiff to me with a summons for the payment of a debt, then, according to Mulberger, it is doing no more than describing me as a man who does not pay his debts! A description is one thing, and a presumptuous demand is another. And precisely therein lies the essential difference between German scientific socialism and Proudhon. We describe -- and despite Mulberger every real description is at the same time an explanation -- economic relationships as they are and as they are developing, and we provide the proof, strictly economically, that their development is at the same time the development of the elements of a social revolution, the development on the one hand of a class whose conditions of life necessarily drive it to social revolution, the proletariat, and on the other hand of productive forces which, having grown beyond the framework of capitalist society, must necessarily burst that framework, and which at the same time offer the means for abolishing class differences once and for all in the interests of social progress itself. Proudhon, on the contrary, demands from present-day society that it shall transform itself not according to the laws of its own economic development, but according to the prescriptions of justice (the "conception of justice" does not belong to him, but to Mulberger). Where we prove, Proudhon, and with him Mulberger, preaches and laments.

What kind of a thing "the conception of justice of the revolution" is, I am quite unable to guess. Proudhon, it is true, makes a sort of goddess out of "the revolution," the bearer and executor of his "justice" in doing which he then falls into the peculiar error of mixing up the bourgeois revolution of 1739-94 with the coming proletarian revolution. He does this in almost all his works and particularly since 1848; I shall quote only one as an example, namely, the "Idée générale de la révolution," pages 39 and 40 of the 1868 edition. As, however, Mulberger rejects all and every responsibility for Proudhon I am not allowed to explain "the conception of justice of the revolution" from Proudhon and remain therefore in Egyptian darkness. Mulberger says further:



"But neither Proudhon nor I appeal to an 'eternal justice' in order thereby to explain the existing unjust conditions, or even expect, as Engels imputes to me, the improvement of these conditions from the appeal to this justice."

Mulberger apparently reckons on the fact that, "in Germany Proudhon is as good as unknown." In all his works Proudhon measures all social, legal, political and religious propositions by the measure of "justice," and condemns or recognizes them according to whether they conform or do not conform to what he calls "justice." In the "Contradictions économiques" this justice is still called "eternal justice," "justice' éternelle." Later on, nothing more is said about eternity, but the idea remains in essence. For instance, in "De la Justice dans la Révolution et dans l'Eglise," 1858 edition, the following passage is the text of the whole three-volume sermon (Vol. 1, page 42):

"What is the basic principle, the organic, regulating, sovereign principle of all societies, the principle which subordinates all others to itself, which rules, protects, represses, punishes, and in case of need even suppresses all rebellious elements? Is it religion, idealism or interest? In my opinion this principle is justice. What is justice? It is the essence of humanity itself. What has it been since the beginning of the world? Nothing. What should it be? Everything."

Justice which is the essence of humanity itself, what is that if it is not eternal justice? Justice which is the organic, regulating, sovereign basic principle of all societies, which has nevertheless been nothing up to the present, but which ought to be everything -- what is that if it is not the standard with which to measure all human affairs, if it is not the final arbiter to be appealed to in all conflicts? And did I assert anything else than that Proudhon cloaks his economic ignorance and helplessness by judging all economic conditions not according to economic laws, but according to whether they conform or do not conform to his conception of this eternal justice? And what is the difference between Mulberger and Proudhon when Mulberger demands that "all these exchanges in the life of modern society" should be "pervaded by a conception of justice, that is to say, if they took place always according to the strict demands of justice?" Is it that I can't read, or that Mulberger can't write?

Mulberger says further:

"Proudhon knows as well as Marx and Engels that the actual driving spirit in human society is the economic and not the juridical relations; he also knows that the given conceptions of justice of a people are only the expression, the impression, the product of the economic -- and in particular the production relations.... In a word, for Proudhon justice is the historically evolved economic product."

If Proudhon knows all this (I am prepared to let the unclear expressions used by Mulberger pass and take the good will for the deed), if he knows it all "as well as Marx and Engels," what is there left to quarrel about? However, the situation is in fact somewhat different with regard to Proudhon's science. The economic relations of a given society present themselves in the first place as interests. But in the passage which has just been quoted from his main work, Proudhon says in so many words that the 44 regulating, organic, sovereign basic principle of all societies, the principle which subordinates all others to itself" is not interest, but justice. And he repeats the same thing in all the decisive passages of all his works, although this does not prevent Mulberger from continuing:

"... the idea of economic justice, as it was developed by Proudhon most profoundly of all in *La Guerre et la Paix*, [War and Peace.-Ed.] completely coincides with that basic idea of Lassalle so excellently expressed by him in his foreword to the *System of Acquired Rights*."

*La Guerre et la Paix* is perhaps the most schoolboyish of all the manly schoolboyish works of Proudhon and I would not have expected it to be put forward as a proof for Proudhon's alleged understanding of the German materialist conception of history which explains all historical events and ideas, all politics, philosophy and religion from the material, economic conditions of life of the historical period in question. The book is so little materialist that it cannot even construct its conception of war without calling in the help of the creator: "However, the creator who chose this form of life for us had his aims." (Vol. II, page 100, 1869 edition.) On what historical knowledge the book is based can be judged from the fact that it believes in the historical existence of the Golden Age: "In the beginning when the human race was thinly spread over the earth's surface, nature supplied its needs without difficulty. It was the Golden Age, the age of peace and plenty." (Ibid., page 102.) Its economic standpoint is that of the crassest Malthusianism. "When production is doubled, the population will soon be doubled also." (Page 105.) In what does the materialism of this book consist then? In that it declares the cause of war to have been always and still to be: "pauperism" (for instance, page 143). Uncle Brasig was just such a materialist when in his 1848 speech he launched the great truth into the world, "the cause of the great impoverishment is the great pauvrete."

Lassalle's *System of Acquired Rights* is caught in the trammels not only of the whole illusion of the jurists, but also in that of the Old-Hegelians. On page VII, Lassalle declares expressly that also "in economics the conception of acquired right is the driving force of all further development" and he seeks to prove that "justice is a reasonable organism developing out of itself" (and not therefore out of economic prerequisites). (Page IX.) For Lassalle it is a question of evolving justice not out of economic relations, but from "the concept of will itself of which the philosophy of law is only the development and exposition." (Page X.) What therefore is the point

of bringing in the book here? The only difference between Proudhon and Lassalle is that the latter was really a jurist and Hegelian, while in both jurisprudence and philosophy, as in all other matters, Proudhon was merely a dilettante.

I know perfectly well that Proudhon, who notoriously continually contradicts himself, occasionally made an utterance here and there which looked as though he explained ideas on the basis of facts, but such utterances are without any significance as against the basic tendency of his thought, and where they do occur they are extremely confused and inherently illogical. At a certain, very primitive stage of the development of society, the need arises to co-ordinate under a common regulation the daily recurring acts of production, distribution and exchange of products, to see to it that the individual subordinates himself to the common conditions of production and exchange. This regulation, which is at first custom, soon becomes law. With law, organs necessarily arise which are entrusted with its maintenance -- public authority, the state. With further social development, law develops into a more or less comprehensive legal system. The more complicated this legal system becomes, the more its terminology becomes removed from that in which the usual economic conditions of the life of society are expressed. It appears as an independent element which derives the justification for its existence and the reason for its further development not out of the existing economic conditions, but out of its own inner logic, or, if you like, out of "the concept of will." People forget the derivation of their legal system from their economic conditions of life, just as they have forgotten their own derivation from the animal world. With the development of the legal system into a complicated and comprehensive whole the necessity arises for a new social division of labor; an order of professional jurists develops and with these legal science comes into being. In its further development this science compares the legal systems of various peoples and various times, not as the expression of the given economic relationships, but as systems which find their justification in themselves. The comparison assumes something common to them all, and this the jurists find by summing up that which is more or less common to all these legal systems as natural law. However, the standard which is taken to determine what is natural law and what is not, is precisely the most abstract expression of law itself, namely, justice. From this point on, therefore, the development of law for the jurists, and for those who believe them uncritically, is nothing more than the striving to bring human conditions, so far as they are expressed in legal terms, into closer and closer conformity with the ideal of justice, eternal justice. And this justice is never anything but the ideologized, glorified expression of the existing economic relations, at times from the conservative side, at times from the revolutionary side. The justice of the Greeks and Romans held slavery to be just. The justice of the bourgeois of 1789 demanded the abolition of feudalism because it was unjust. For the Prussian Junker even the miserable Kreisordnung [legislation establishing

distinct local authorities.-Ed.] is a violation of eternal justice. The conception of eternal justice therefore varies not only according to time and place, but also according to persons, and it belongs among those things of which Mulberger correctly says, "everyone understands something different." While in everyday life, in view of the simplicity of the relations which come into question, expressions like right, wrong, justice, conception of justice, can be used without misunderstanding even in relation to social matters, they create, as we have seen, hopeless confusion in any scientific investigation of economic relations, in fact, much the same confusion as would be created in modern chemistry if the terminology of the phlogiston theory were to be retained. The confusion becomes still worse if one, like Proudhon, believes in this social phlogiston, "justice," or if one, like Mulberger, declares that the phlogiston theory no less than the oxygen theory is perfectly correct.

[Before the discovery of oxygen the chemists explained the burning of substances in atmospheric air by assuming the existence of a special igneous substance, phlogiston, which escaped during the process of combustion. Since they found that simple substances on combustion weighed more after having been burned than they did before, they declared that phlogiston had a negative weight so that a substance without its phlogiston weighed more than one with it. In this way all the main properties of oxygen were gradually ascribed to phlogiston, but all in an inverted form. The discovery that combustion consists in a combination of the burning substance with another substance, oxygen, and the preparation of this oxygen disposed of the original assumption. but only after long resistance on the part of the older chemists. -- Note by F. Engels.]

### III

Mulberger further complains that I called his "emphatic" utterance, "that there is no more terrible mockery of the whole culture of our lauded century than the fact that in the big cities 90 per cent and more of the population have no place that they can call their own" -- a reactionary jeremiad. Certainly, I did. If Mulberger had confined himself, as he pretends, to describing "the horrors of the present time" I should certainly not have said one ill word about "him and his modest words." In fact however, he does something quite different; he describes these "horrors" as the result of the fact that the workers "have no place that they can call their own." Whether one regrets "the horrors of the present time" as a result of the fact that the workers no longer own their own dwellings, or, as the Junkers do, as a result of the fact that feudalism and the guilds have been abolished, in both cases nothing more can come of it than a reactionary jeremiad, a song of sorrow at the coming of the inevitable, of the historically necessary. The reactionary character of Mulberger's attitude lies precisely in the fact that he wishes to re-establish

individual house ownership for the workers -- a matter which history has long ago put an end to -- that he can conceive of the emancipation of the workers in no other way than by making everyone once again the owner of his own house.

And further:

"I declare most emphatically, the real struggle is to be waged against the capitalist mode of production; only by its transformation is an improvement of housing conditions to be hoped for. Engels sees nothing of all this.... I presuppose the whole solution of the social question in order to be able to proceed to the abolition of the rented dwelling."

Unfortunately, I still see nothing of all this even now. It is surely impossible for me to know what someone, whose name I did not even know, presupposes in the secret recesses of his mind. All I can do is to stick to the printed articles of Mulberger. And there I find even today (pages 15 and 16 of the reprint) that Mulberger, in order to be able to proceed to the abolition of the rented dwelling, presupposes nothing more than the rented dwelling itself. Only on page 17 does he take "the productivity of capital by the horns," and we shall come back to this later. Even in his answer he confirms this when he says: "It was rather a question of showing how under existing conditions a complete transformation in the housing question can be achieved." Under existing conditions, and by the transformation (it should be abolition) of the capitalist mode of production, are surely things diametrically opposed.

No wonder Mulberger complains when I regard the philanthropic efforts of Dollfus and other manufacturers to assist the workers to obtain houses of their own as the only possible practical realization of his Proudhonist projects. If he were to realize that Proudhon's plan for social salvation is a fantasy resting completely on the basis of bourgeois society, then he would naturally not believe in it. I have never at any time called his good will into question. But why then does he praise Dr. Reschauer for proposing to the Vienna Town Council that it should imitate the projects of Dollfus?

Mulberger further declares:

"As far as the antithesis between town and country is particularly concerned. it is utopian to want to abolish it. This antithesis has become a natural, or more correctly, a historical one. The question is not one of abolishing this antithesis, but of finding political and social forms in which it would be harmless, indeed even fruitful. In this way it would be possible to expect a peaceful solution, a gradual balancing of interests."

So the abolition of the antithesis between town and country is utopian, because this antithesis has become a natural, or more correctly, a historical one. Let us apply this

same logic to other antitheses in modern society and see where we arrive then. For instance:

"As far as the antithesis between the capitalists and the wage workers is particularly concerned, it is utopian to want to abolish it. This antithesis has become a natural, or more correctly, a historical one. The question is not one of abolishing this antagonism, but of finding political and social forms in which it would be harmless, indeed even fruitful. In this way it would be possible to expect a peaceful solution, a gradual balancing of interests."

And with this we have once again arrived at Schulze-Delitzsch.

The abolition of the antithesis between town and country is no more and no less utopian than the abolition of the antithesis between capitalists and wage workers. From day to day it is becoming more and more a practical demand of both industrial and agricultural production. No one has demanded this more energetically than Liebig in his writings on the chemistry of agriculture, in which his first demand has always been that man shall give back to the land what he takes from it, and in which he proves that only the existence of the towns, and in particular the big towns, prevents this. When one observes how here in London alone a greater quantity of manure than is produced by the whole kingdom of Saxony is poured away every day into the sea with an expenditure of enormous sums, and when one observes what colossal works are necessary in order to prevent this manure from poisoning the whole of London, then the utopian proposal to abolish the antithesis between town and country is given a peculiarly practical basis. And even comparatively insignificant Berlin has been wallowing in its own filth for at least thirty years.

On the other hand, it is completely utopian to want, like Proudhon, to transform present-day bourgeois society while maintaining the peasant as such. Only as uniform a distribution as possible of the population over the whole country, only an integral connection between industrial and agricultural production together with the thereby necessary extension of the means of communication-presupposing the abolition of the capitalist mode of production-would be able to save the rural population from the isolation and stupor in which it has vegetated almost unchanged for thousands of years. It is not utopian to declare that the emancipation of humanity from the chains which its historic past has forged will only be complete when the antithesis between town and country has been abolished; the utopia begins when one undertakes "from existing conditions" to prescribe the form in which this or any other of the antitheses of present-day society is to be solved. And this is what Mulberger does by adopting the Proudhonist formula for the solution of the housing question.

Mulberger then complains that I have made him to a certain extent co-responsible for "the monstrous views of Proudhon on capital and interest" and declares:

"I presuppose the alteration of the production relations as an accomplished fact, and the transitional law regulating the rate of interest does not refer to production relations, but to the social turnover, to the conditions of circulation.... The alteration of production relations, or, as the German school says more accurately, the abolition of the capitalist mode of production. certainly does not result, as Engels tries to make me say, from a transitional law abolishing interest, but from the actual seizure of all the instruments of labor, arm the seizure of industry as a whole by the working people. Whether in this the working people will pay allegiance (!) more to the idea of gradual redemption or immediate expropriation is not for either Engels or myself to decide."

I rub my eyes in astonishment. I have read Mulberger's article through once again from beginning to end in order to find the passage where he presupposes as an accomplished fact, "the actual seizure of all the instruments of labor... the seizure of industry as a whole by the working people," as a prerequisite for redemption of the rented dwelling, but I have been unable to find it. It does not exist. There is nowhere mention of "actual seizure," etc., but there is the following:

"Let us now assume that the productivity of capital is really taken by the horns, as it must be sooner or later, for instance by a transitional law which fixes the interest on all capitals at one per cent, but mark you, with the tendency to make even this rate of interest approximate more and more to the zero point.... Like all other products, houses and dwellings are naturally also included within the framework of this law.... We see, therefore, that from this angle the redemption of the rented dwelling is a necessary consequence of the abolition of the productivity of capital in general."

Thus, it is said here in plain words, quite contrary to Mulberger's latest about-face, that the productivity of capital, by which confused phrase he admittedly means the capitalist mode of production, is really "taken by the horns" by the law abolishing interest, and that precisely as a result of this law, "the redemption of the rented dwelling is a necessary consequence of the abolition of the productivity of capital in general." Not at all, says Mulberger now. That transitional law "does not refer to production relations, but to the conditions of circulation." In view of this crass contradiction, as Goethe would say, "equally mysterious for wise men as for fools," all that is left for me is to assume that I have to do with two separate and distinct Mulbergers, one of whom complains with justification that I have "tried to make him say" what the other one caused to be printed.

It is certainly true that the working people will ask neither me nor Mulberger whether in the actual seizure it will "pay allegiance more to the idea of gradual

redemption or immediate expropriation." In all probability it will prefer not to "pay allegiance" at all. However, there was never any question of the actual seizure of all the instruments of labor by the working people, but only of Mulberger's assertion (page 17) that "the whole content of the solution of the housing question is given in the expression: gradual redemption." And if he now declares this gradual redemption to be extremely doubtful, what was the reason for giving ourselves and our readers all the unnecessary trouble?

For the rest, it must be pointed out that the "actual seizure" of all the instruments of labor, the seizure of industry as a whole by the working people, is the exact contrary of the Proudhonist theory of "gradual redemption." Under the latter the individual worker becomes the owner of the dwelling, the peasant farm, the instruments of labor; under the former the "working people" remain the collective owners of the houses, factories and instruments of labor and would hardly permit their use, at least in a transitional period, by individuals or associations without compensation for the cost. Just as the abolition of property in land is not the abolition of ground rent, but its transfer, although in a modified form, to society. The actual seizure of all the instruments of labor by the working people therefore does not at all exclude the retention of the rent relations.

In general, the question is not whether the proletariat when it comes to power will simply seize by force the tools of production, the raw materials and means of subsistence, whether it will pay immediate compensation for them, or whether it will redeem property therein by installments spread over a long period. To attempt to answer such a question in advance and for all cases would be utopia-making, and I leave that to others.

## IV

It has been necessary to write very much in order to work our way finally through Mulberger's evasions and twistings to the real point at issue, a point which Mulberger carefully avoids touching on in his answer.

What were Mulberger's positive statements in his articles?

**Firstly:** that "the difference between the original cost price of a house, building site, etc., and its present value" belongs by right to society. In the language of economics, this difference is called ground rent Proudhon also wants to appropriate this for society, as one may read in his "Idée generale de la Revolution,," page 219 of the 1868 edition.

**Secondly:** that the solution of the housing question consists in everyone being the owner instead of the tenant of his dwelling.



**Thirdly:** that this solution takes place by the passing of a law turning rent payments into installment payments on the purchase price of the dwelling. These points 2 and 3 are both taken from Proudhon as anyone can see in the "Idee generale de la Revolution," page 199 et seq., where on page 203 a project of the law in question is to be found already drafted.

**Fourthly:** that the productivity of capital is taken by the horns by a transitional law reducing the rate of interest temporarily to one per cent, subject to reducing it still further later on. This point has also been taken from Proudhon and can be read in detail on pages 182 to 186 of the Idee generale de la Revolution.

With regard to each of these points I have cited the passage of Proudhon where the original of the Mulberger copy is to be found, and I ask now whether I was justified in calling the author of a series of articles containing completely Proudhonist and nothing but Proudhonist views, a Proudhonist or not? Nevertheless Mulberger complains about nothing more bitterly than that I call him a Proudhonist because I "came upon a few expressions such as are peculiar to Proudhon!" Quite the contrary. The expressions all belong to Mulberger, their content belongs to Proudhon. And when I then supplement the Proudhonist articles from Proudhon himself, Mulberger complains that I am ascribing to him "the monstrous ideas" of Proudhon!

What did I reply to this Proudhonist plan?

**Firstly:** that the transfer of ground rent to the state is identical with the abolition of individual property in land.

**Secondly:** that the gradual redemption of the rented dwelling and the transfer of property in the dwelling to the tenants does not at all affect the capitalist mode of production.

**Thirdly:** that with the present development of large-scale industry and towns, this proposal is as absurd as it is reactionary, and that the reintroduction of ownership of his dwelling by each individual would be a step backward.

**Fourthly:** that the compulsory reduction of the rate of interest on capital would by no means attack the capitalist Mode of production, and that, on the contrary, as the usury laws prove, the idea is as old as it is impossible.

**Fifthly:** that the abolition of interest on capital by no means abolishes the payment of rent for houses.

Mulberger has now admitted points 2 and 4. To the other points he makes no reply whatever. Nevertheless, these are just the points around which the whole debate centered. Mulberger's answer, however, is not a refutation; it carefully avoids dealing with all economic points, which are, of course, the decisive ones. It is a

personal complaint, nothing more. For instance, he complains when I anticipate his promised solution of other questions, for instance, state debts, private debts and credit, and say that the solution would be the same in each case as his solution of the housing question, namely, the abolition of interest, the transformation of interest payments into installments for paying off the capital sum, and free credit. Nevertheless, I am still ready to bet that if these articles of Mulberger ever see the light of day, their essential content will coincide with Proudhon's *Idee generale de la Revolution*: credit, page 182; state debts, page 186; private debts, page 196; just as his articles on the housing question coincided with the passages I have quoted from the same book.

Mulberger takes this opportunity of informing me that questions such as taxation, state debts, private debts and credit, to which is now added the question of municipal autonomy, are of the greatest importance to the peasant and for propaganda in the countryside. To a great extent I agree, but, 1. up to the moment there has been no mention of the peasant, and 2. Proudhon's 61 solutions" of all these questions are just as absurd economically and just as essentially bourgeois as his solution of the housing question. I need hardly defend myself against Mulberger's suggestion that I fail to appreciate the necessity of drawing the peasants into the movement. However, I certainly consider it folly to recommend to them for this purpose the Proudhonian quackery. There is still very much large-scale landed property in Germany. According to Proudhon's theory all this ought to be divided up into wall peasant farms, which, in the present state of agriculture and after the experience of small landownership in France and in Western Germany, would be positively reactionary. The large-scale landed estates which still exist will rather afford us a welcome opportunity of conducting agriculture on a large scale -- the only way which can utilize modern equipment machinery, etc. -- by associated workers, and thus demonstrating to the small peasants the advantages of large-scale enterprise by means of associations. The Danish socialists, who in this respect are ahead of all others, have realized this long ago.

It is equally unnecessary for me to defend myself against the suggestion that I regard the existing infamous housing conditions as "an insignificant detail." As far as I know, I was the first to describe in German these conditions in their classical form as they exist in England. I did not do that, as Mulberger suggests, because they "violated my sense of justice" -- whoever insisted on writing books about all the facts which violated his sense of justice would have a lot to do -- but as can be read in the introduction to my book, by describing the social conditions created by modern large-scale industry, to provide an actual basis for German socialism, which was then arising and was expending itself in empty phrases. However, it does not occur to me to try to solve the so-called housing question any more than I occupy myself with -the details of the still more important food question. I am satisfied if I can prove that the production of our modern society is sufficient to provide all its

members with enough to eat, and that there are houses enough in existence to provide the working masses for the time being with roomy and healthy living accommodation. To speculate as to how a future society would organize the distribution of food and dwellings leads directly to utopia. The utmost we can do is to note, from an understanding of the basic conditions of all modes of production up to now, that with the downfall of the capitalist mode of production certain forms of appropriation by society hitherto will become impossible. Even the transitional measures will everywhere have to be in accordance with the conditions in existence at the moment; in countries of small-scale landownership quite different from those in countries where large-scale landownership prevails, etc. Mulberger himself shows us better than anyone else where one arrives at if one attempts to find isolated solutions for so-called practical questions, such as the housing question, when he takes 28 pages to explain to us that, "the whole content of the solution of the housing question is given in the expression: gradual redemption," but who, when one presses him hard, begins to stammer in embarrassment that it is really very doubtful whether, when it comes to a question of the actual seizure of the houses, "the working people will pay allegiance more to the idea of gradual redemption" or to some other form of expropriation.

Mulberger demands that we should become practical, that we should not "come forward merely with dead and abstract formulas" when "faced with real practical conditions," that we should, "proceed beyond abstract socialism and come close to the definite concrete conditions of society." If Mulberger had done this himself he might perhaps have rendered great service to the movement. The first step in coming close to the definite and concrete conditions of society is surely that one should learn what they are, that one should examine them according to their existing economic interrelations. But what do we find in Mulberger's articles? Two whole sentences, namely:

1. "As the wage worker in relation to the capitalist, so is the tenant in relation to the house owner."

I have already, proved on page six of the reprint that this is totally false, and Mulberger has not a word to say in reply.

2. "However, the bull which (in any social reform) must be taken by the horns is the productivity of capital, as the liberal school of political economy calls it, a thing which in reality does not exist, but which in its apparent existence serves as a cloak for all the inequality which burdens present-day society."

Thus, the bull which has to be taken by the horns "in reality does not exist," and therefore also has no "horns." Not the bull itself is the evil, but, its "apparent existence." Despite this, "the so-called productivity" (of capital) "is able to conjure up houses and towns" whose existence is anything but "apparent." And a man who,

although Marx's Capital "is familiar also to him," jabbars in this hopelessly confused fashion about the relation of capital and labour, takes on the task of showing the German workers a new and better path, and presents himself as the "master builder" who is

"clear about the architectural structure of the future society at least in its main outlines"!

No one has come closer "to the definite and concrete conditions of society" than Marx in Capital. He spent twenty-five years in investigating them from all angles, and the results of his criticism contain throughout the kernels of so-called solutions, in as far as they are possible at all today. But that is not enough for friend Mulberger. That is all abstract socialism, dead and abstract formulas. Instead of studying "the definite and concrete conditions of society" for himself, friend Mulberger contents himself with reading through a few volumes of Proudhon which, although they offer him next to nothing concerning the definite concrete conditions of society, do offer him very definite and concrete miraculous remedies for all social evils. He then presents this ready-made plan for social salvation, this Proudhonian system, to the German workers under the pretext that he wants to say good-bye to the systems," while I "choose the opposite path." In order to grasp this I must assume that I am blind and Mulberger deaf so that any understanding between us is utterly impossible.

But enough. If this polemic serves for nothing else it has the value in any case of having provided proof of how impractical these so-called "practical" socialists really are. These practical proposals for the abolition of all social evils, these universal social panaceas, have always and everywhere been the work of sectarians who appeared at a time when the proletarian movement was still in its infancy. Proudhon also belongs among them. The development of the proletariat soon casts aside these swaddling-clothes and produces in the working class itself the understanding that nothing is less practical than these "practical solutions," concocted in advance and universally applicable, and that practical socialism consists rather in a correct knowledge of the capitalist mode of production from all its various sides. A working class which is secure in this knowledge will never be in doubt in any given case against which social institutions, and in what manner, its main attacks should be directed.

---

From: <http://www.marxists.org/archive/marx/works/1872/housing-question/ch03.htm>

---

**Course: Lenin's The State and Revolution**

**16072, Engels, The Housing Question, Part Three, 1872**

9970 words